

CANBY URBAN RENEWAL DISTRICT



ANNUAL REPORT

ADOPTED JANUARY 21, 2015



2013-2014

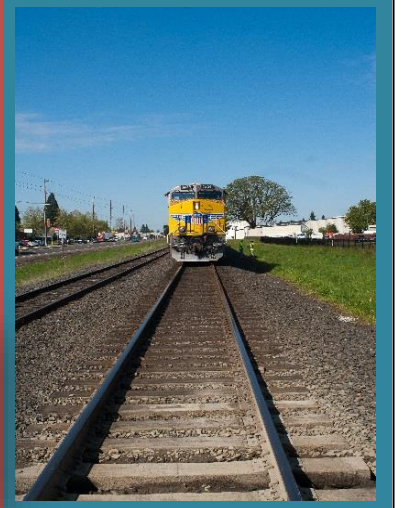
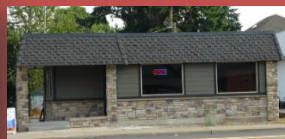


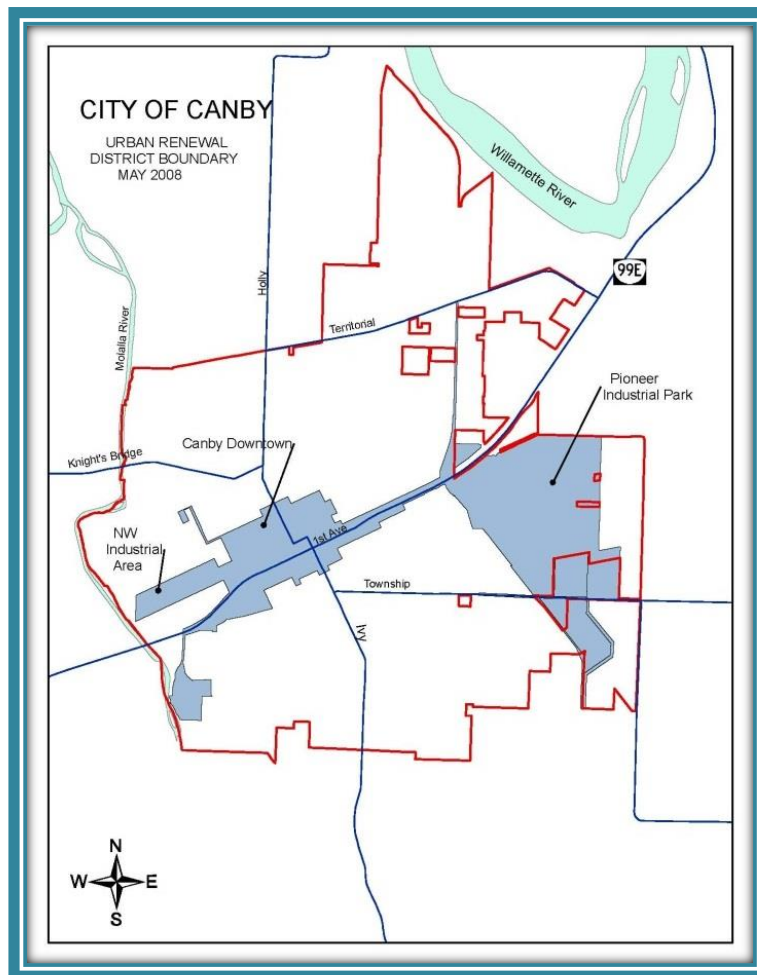
Table of Contents

Canby Urban Renewal District Overview	Page 1
Urban Renewal Districts Generate Tax Increment For Projects: How it works	Page 2
Frequently Asked Questions	Page 3
Projects Launched/Completed in 2013-2014	Page 4
<ul style="list-style-type: none">Sequoia Parkway Extension, Community Park Improvements, Public Art, Team Track Feasibility Study	
Future Projects underway in 2014 – 2015 and beyond	Page 7
<ul style="list-style-type: none">Expanded Library and Civic Center Complex, A Quiet Zone for Downtown Canby	
Major Accomplishments since the Inception of the District	Page 9
<ul style="list-style-type: none">Recent Projects: 1st Avenue Redevelopment, Canby Police Facility, Canby Revolving Loan Fund, Canby Pioneer Industrial Park, Transportation Project UR District Investment	
Summary of Street and Circulation Projects	Page 12
Investments in Downtown Canby	Page 13
<ul style="list-style-type: none">Streetscape Improvements (1st and 2nd Avenue), Canby Main Street Program Entry Gateway Signs, Wait Park Frontage Road, Preparing for Development	
Public—Private Partnerships	Page 15
<ul style="list-style-type: none">Canby Cinema 8, The Andrus Office Building, The Façade Improvement Program	
Urban Renewal Agency Financial Overview	Page 16
Debt Capacity and Debt Outstanding	Page 17
When Will the Urban Renewal District End, Increase in Tax Increment Revenue	Page 18
Actual Revenue Impacts on Tax Entities	Page 19
URA Estimated vs. Actual Revenue Impacts to Major Taxing Districts 2002-2013	Page 20
Estimated Tax Increment Revenue Forgone by Taxing District in 1999	Page 21
Canby Urban Renewal Financial History Since Inception	Page 22
Urban Renewal Area 2012-13 Actual and 2014-15 Budget	Page 23
Increase in Investment and Assessed Value	Page 24

Canby Urban Renewal District Overview

In 1999, Canby established a 573 acre Urban Renewal District that includes the Canby Pioneer Industrial Park, the downtown business area and the northwest industrial park. The District is set to expire when projects are completed and debt is repaid

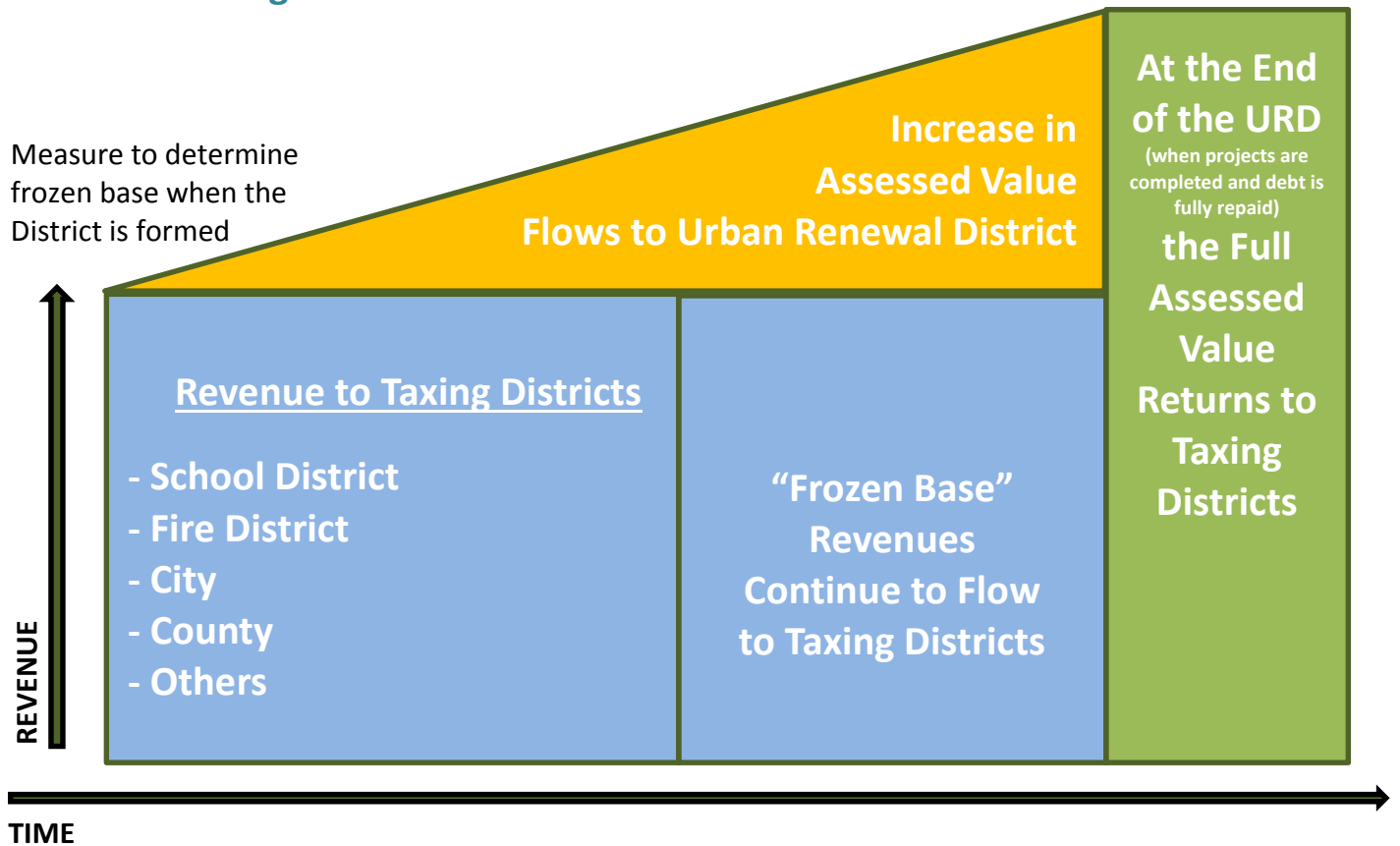
The Urban Renewal Agency makes decisions on investment projects. The City Council and Mayor serve as the Agency Commission. The City Administrator, acting as the Urban Renewal Director, is responsible for ensuring its financial health. Residents are not paying any additional taxes for the Urban Renewal program.



Goals and Objectives of the Canby Urban Renewal Agency

- To diversify economic base and family wage jobs within the district.
- To maintain effective, efficient and safe traffic system for vehicular and pedestrian users.
- To improve and retain existing businesses.
- To improve attractive visual amenities for customers and community members throughout the district.

Urban Renewal Districts Generate Tax Increment to Fund Projects and Programs: How it works...



When Canby formed the District in 1999 it created an urban renewal district boundary and determined the assessed value in the district of \$65,611,926. This assessed value is the “Frozen Base”.

Throughout the life of the District, all taxing districts continue to receive all tax revenues on this existing assessed value. This base ensures that important community services continue to receive the same level of revenue to support services important to citizens.

The Urban Renewal District invests in projects that will stimulate new development to increase tax revenues. Since 1999 the Canby Urban Renewal District has generated over \$145,000,000 in new investments. Bonds can be issued to fund urban renewal projects of up to \$51,149,000 over the course of 20 years that are repaid with increases in assessed value in the district.

When the Urban Renewal District ends and debt is repaid, all assessed value is redistributed back to taxing districts at a much higher assessed value. The city continues to benefit from urban renewal benefits long after the district dissolves.

Frequently Asked Questions

How are Urban Renewal projects funded? Revenue for projects comes from “tax increment financing” that directs tax revenues from increasing property values back into the District to spur development. Property in the District had its assessed value “frozen” at 1999 rates when the URD was established. Whatever taxes paid at that time to local taxing districts continue to flow to them at the same rates. Any additional taxes paid after 1999, due to an increase in the assessed value of the property, are directed to projects in the District. Projects in the Urban Renewal District are financed by selling bonds that are repaid with revenue generated in the District. The Canby Urban Renewal Agency decides which projects or programs to fund.

Am I paying for Urban Renewal? It shows up on my tax statement. You are not paying any additional taxes for Urban Renewal. The County Tax Assessor decided to show the equivalent of taxes on property tax statements. The formation of an urban renewal area does not change what property owners pay in taxes or add any new taxes. Urban renewal does redistribute taxes already paid by property owners. Property taxes, which are based on assessed values, may rise as the value of property rises with urban renewal improvements in the area. However, in most cases increases are limited to no more than 3% per year.

Where is the Agency getting \$51+ million to invest in Urban Renewal projects? The City does not have cash for projects. Development projects are funded by selling bonds. When the Urban Renewal District was formed on November 3, 1999, a maximum indebtedness of \$51,149,000 was set. Bonds are issued to fund projects and programs that meet the goals of the Urban Renewal Plan. The bonds are paid back from increased property tax value and tax revenues generated by new investment in the district over time. For example, the Urban Renewal Agency had invested approximately \$10.2 M in the industrial park infrastructure which has generated approx. \$78 million in private investment in new buildings and significant building expansions.

What can the Urban Renewal Agency invest in? / What can funds not be used for? Urban Renewal funds can research the feasibility of, plan for, and fund capital projects like roads, utilities, and other infrastructure. The Agency can also purchase and improve property, assemble sites, build buildings, or repair or rehabilitate them for sale or lease them for private or public sector use. It can relocate businesses to free- up property for redevelopment. The Agency cannot fund projects or programs outside of the district*, or fund promotion, events, and ongoing maintenance. (* a project that has a nexus and is a district benefit can be funded.)

Doesn't this hurt other taxing districts? Taxing districts still receive the revenues they did when the District was formed. When the district dissolves, taxing districts have a higher tax base (and higher revenues) than they would have without the district. The “loss” to schools is indirect because they are now funded based on a state formula instead of by property taxes.

When will the Urban Renewal District End?

The district cannot be terminated until all **indebtedness** to which a portion of tax increment is pledged for payment is **fully repaid**. The earliest the debt that has already been incurred to build or implement URA projects so far could be paid off is June 1, 2022.

Projects Launched/Completed in 2013-2014

Sequoia Parkway Extension



The last segment of the Sequoia Parkway in the Canby Pioneer Industrial Park was completed in spring 2014. Canby's Urban Renewal Agency invested \$3.8 million in the project to make the final phase of the park development ready. The project was completed almost \$350,000 under budget.

The extension added critical transportation access and other infrastructure to 60 acres of prime land which is actively on the market. The project also provides efficient internal circulation within the park.

The new road begins near Township Road and the American Steel facility and connects to SW 13th Avenue. This project entailed building a bridge over the Oregon Pacific Railroad line, paving the street extension, adding sidewalks, and installing some utilities.



Community Park Improvements

The Urban Renewal Agency has partnered with Wilderness International to establish a healthy native habitat, improving water quality, a better trail system, and access to the pond. The project involved six community groups, 181 workers and 2,569 hours invested to date. The URA is investing \$13,000 this year. Significant progress was made including the installation of two safe fishing access points, native habitat restoration south of the creek between the pond and first bridge, completion of the first section of trail enhancement, clearing invasive species, planting 1,600 native plants, and adding a new pond aeration system to control algae.



Public Art



Two new sculptures were installed on the 1st Avenue art plinths in September 2014 as part of an ongoing beautification program. Oregon artists Susan Schimelfining and Jesse Swickard were chosen from a number of responses to a call for artists. Each artist was tasked to create a sculpture that represented Canby's unique culture.

The process was guided by the Arts & Culture Advisory Council of Canby – as part of the Main Street Program. The group is planning to commission more sculptures for placement along 1st Avenue. The new works will be in place by the end of June 2015.

Team Track Feasibility Study

City staff successfully completed a grant funded study to determine the demand, scope, potential costs and business models for developing a team track facility on the Canby Pioneer Industrial Park. A team track could provide Canby and surrounding businesses access to rail - significantly reducing shipping costs when feasible. The study uncovered several niche markets including nursery crops and aggregate. However, no one strong market opportunity emerged to justify moving forward. The best approach would be to find an operator, such as a logistics company or short line operator, and cement commitments from a few shippers and receivers who will use it once it is built. A basic facility should provide a track with access from both sides, minimal permanent facilities and equipment for self-loading by users. Storage facilities need to be provided as well, but could be located off-site and nearby. As the demand for more facilities and a strong core clientele warrants, the facility could expand over time. Two concept plans were developed: a minimal Team Track facility and a more intensive trans load facility. Costs range from \$1.72 million to \$3 million. The cities role in this project was to explore the potential of this opportunity and facilitate private sector investment and development as it emerges.

Projects under way in 2014 - 2015 and beyond



Expanded Library and Civic Center Complex

Planning for a new Civic Building at NE 2nd and Juniper Street in Downtown Canby is moving forward quickly. In May 2014 almost 70% of Canby voters supported the project.

The new two-story facility is estimated to have 42,900 sf with library services on the main floor and administrative offices and council chambers on the second floor. The design may also include a basement. City staff from administration, finance, development services and tech services will occupy the space. By consolidating city employees, the new city space will improve efficiencies and make it easier for city customers with diverse needs to find city services under one roof. Combining this space with the library allows the City to address these needs extremely cost effectively.

Canby is investing in a new, larger library because the existing facility, a former hardware store, is popular but cramped, outdated, and has limited programming options. Libraries continually evolve to meet the needs of the community by serving as a community center, technology hub a resource for personalized assistance and equal access in their communities.



This project involves purchasing vacating one-half of a block of Juniper Street, demolition of three vacant houses and relocation of utilities. The downtown Canby site is on NE 2nd Avenue, between N Ivy Street and the Canby 8 Cinema in downtown. A contract for Construction Management Services has been awarded to Kenneth Andrews/Lenore, Inc., and an architect /and Design Services firm will gather public input in early 2015, and go through the permitting process in the spring. Construction is expected to begin later in the summer and take about 1 year to complete. The building should be open to the public in late 2016.

A Quiet Zone for Downtown Canby



The City would like to create a Quiet Zone, for the crossings at Ivy, Grant, and Elm. The Downtown District is adjacent to the Union Pacific Railroad, which currently accommodates 30 trains per day. Railroad engineers are required to sound their horns prior to approaching public crossings and continuously through downtown each time a train passes. Train horns can discourage outdoor activity, which in turn can negatively impact the economic vitality of our Downtown Business Community.

The Federal Railroad Administration (FRA) determines whether Canby can create a quiet zone. They conduct a diagnostic team site visit and review the community's proposal for safety measures to reduce the risk associated with not having horns.

What is the process?

1. A community develops a proposal for FRA review. The Canby city engineer has developed a proposal for 75 to 80 foot non-traversable medians at Ivy, Grant and Elm that extend from each railroad crossing arm toward NW 1st Avenue and Highway 99E. This proposal would involve a partial or complete closure of NW 1st Avenue west of Elm Street. If this plan is acceptable to city leaders and the Federal Railroad Administration – the medians could be installed relatively quickly and inexpensively.
2. The City identifies the cost and funding sources for selected improvements and the City Council and Urban Renewal Agency reviews and approves the plan.
3. Staff submits the approved proposal to the diagnostic team and to stakeholders to review. A Diagnostic Team Visit is planned for winter 2015. The diagnostic team typically includes City staff, Railroad and FRA staff, and ODOT Rail staff.
4. After the meeting, design plans are completed and a “Notice of Intent” and plans are submitted to stakeholders for comment (60 days).
5. The improvements are constructed and inspected by the diagnostic team. Finally, the Notice of Establishment Application and “as built” designs are sent to stakeholder for comment (30 days).

Major Accomplishments since the Inception of the District

The Agency has studied, planned and coordinated projects, leveraged resources or provided funding for the following initiatives to attract businesses and new investment to the city. This public investment has stimulated private investments to occur more quickly and on a much larger scale. Public investments in infrastructure and beautification have stimulated private investments that pay the majority of new building construction and renovation costs.

Recent Projects

The 1st Avenue Redevelopment Project

The \$2.4 million streetscape improvement project was completed in winter, 2012 and extended for four blocks of NW 1st Avenue, between Ivy and Elm Streets. This project included new street construction, sidewalks, parking lot, street lights, planters, street furniture, monument signs and undergrounding of utilities.



Already the improvements have stimulated private property investment in new facades along 1st Avenue and attracted several new retail businesses and there are rarely vacancies. Other projects done since construction ended include four garden showcases at Ivy, Grant and Elm, two metal sculptures, decorative garden themed bicycle racks were a gift from the Canby Ford Leadership Class and festive lights adorn the street trees to attract attention to downtown from Highway 99e.



Canby Police Facility: The \$9 million facility is 36,000 SF of state-of-the-art space for the Canby Police Department with approximately 10,000 SF of "shelled" space for future growth. The building is designed for maximum energy efficiency that was completed in August 2012.



The new building also houses Canby Municipal Court and features an often used 1,700 SF. Community Room. The facility provides more space and resources for emergency response, crime research, and evidence storage.



It is designated as an Emergency Operations Center built to higher seismic standards in non-combustible materials with backup power and generator. This ensures that the facility is a safe place to handle a wide variety of emergency response needs.

Canby Revolving Loan Fund: The program was launched in July 2012 to implement one of the key projects in the URA plan and meet a financing need identified in the Canby Business Survey. The fund partners with Canby businesses and commercial banks and other lenders to finance local commercial or industrial building improvements.

Capital projects in the district boundaries may be eligible for \$10,000 to \$250,000 loans for building expansions, new construction, building code upgrades, seismic retrofits, and fixtures that are part of the building. The maximum loan amount is 40% of the project and the borrower contributes at least 10% with the balance coming from banks or other lending institutions.



The first loan was approved in summer 2013 for extensive façade improvements for the American Legion Building.



The Canby Pioneer Industrial Park: The Agency has built roads and installed utilities needed to make industrial sites development ready. This public investment has attracted \$78 million in private sector investments. This infrastructure investment has helped attract eleven new industrial companies and created 750 new jobs. These include Fred Meyer and ancillary retail businesses, Pioneer Pump, Shimadzu, Providence, Dragonberry Produce, Wilco, Vata, Pump Tech, Stainless Steel Holdings, Anderson Quality Springs and Kendall Floral. American Steel built a 192,000 square foot steel distribution company just outside the district, generating almost \$300,000 a year in tax revenues. Industrial sites are actively being marketed for sale or lease. Many are recently recertified industrial sites.

Transportation Project UR District Investment: Approximately \$6 million

Sequoia Parkway: This three lane arterial road extends from Highway 99 E to 13th Avenue provides the primary access route and utilities to the Canby Pioneer Industrial Park. The parkway has robust utility infrastructure including sanitary sewer, electricity, water, telephone, gigabit broadband access, cable, and gas service. Street lights, sidewalks, bike lanes and landscaping make the park attractive and accessible for trucks, cars, pedestrians and cyclists.

Hazel Dell Way: This local road also has all utilities in place. Businesses now located here include Kendall Floral, Bowco, Anderson Quality Spring, and Canby Area Transit. Several smaller vacant industrial sites are actively on the market for development.

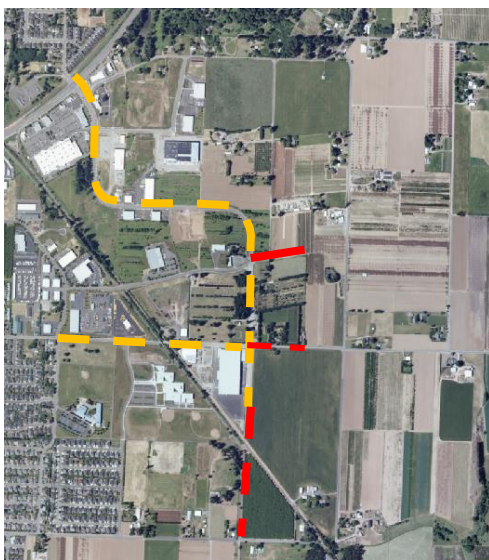
4th Avenue: This east-west connection from Redwood Street to Sequoia Parkway provides an alternate access route to Highway 99 E at Pine Street. Companies include Shimadzu, USA, Stainless Steel Holdings, and Trend Business Center lots ready for development.

Walnut Street: This local street connects the eastern part of the industrial park to Sequoia Parkway and opens over 40 acres for development. The road was funded as a local improvement district and coordinated by the URA. Utilities extent to most sites. The final road and infrastructure extension to 1st Avenue will be completed with development on adjacent sites.



Summary of Street and Circulation Projects

Project	Status
NW and NE 1st Ave. From North Ivy to North Elm and UP Parking Lot	Done
NW and NE 2nd Ave. from North Ivy to North Elm	Done
NW and NE 3rd Ave. – Ivy to Elm	½ Done - Grant to Elm not finished
NW and NE 4th Ave. – Ivy to Elm	½ Done Grant to Elm not finished
N Ivy, Holly, Grant – N 1st to N 4th	Done
SW 1st Ave. – Old Pacific to 99E	3/4th Done Elm to Grant not finished
SW and SE 2nd Ave. – Behind McDonalds to Locust in front of Chamber Office	Done
SW 4th Ave. – Old Pacific (Birch) to South Elm	Done
Sequoia Parkway – 99E to SE 13th (Phases 1-5)	Done
SE 4th Avenue – End to Mulino Road	Not Complete
Industrial Park Collectors – Shown in Industrial Area Master Plan	Not complete
Township Road – S. Redwood to Mulino Road	Not Complete
S Berg Parkway 99E to SW 13th Street	Done
99E Access Improvements	Not all complete
N Berg Parkway – 99E to NW 3rd	Not Complete



Map of Industrial Area Improvements
Yellow = Done, Red = Future Phase



Map of Downtown improvements
Yellow = Done, Red = Future Phase



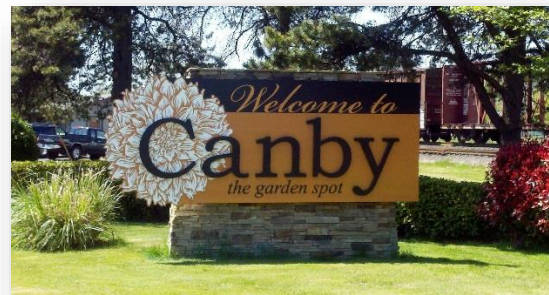
Investments in Downtown Canby

Streetscape improvements: Downtown investments include paving, lighting, seating, landscaping, banners and amenities on 1st and 2nd Avenues. (See 1st Avenue details on page 7) The north side of Second Street and a vacant pad on the south side are well positioned for private sector redevelopment. A \$2 million investment of Urban Renewal District funds built a new streetscape and public parking lot.

The Canby Main Street Program: This multifaceted program was launched in 2010 and dedicates staff and funding to promote economic vitality of the downtown commercial district, revitalize buildings and street environments, and promote downtown. A four point approach includes a focus on design, economic restructuring, promotions, and organization and administration. Projects include downtown banners, First Friday events and other services to support local businesses.



Entry Gateway Signs: Seven large, attractive signs now welcome visitors to Canby in strategic locations along Highway OR 99E, and at the gateways to downtown at Elm, Grant and Ivy Streets. The signs reinforce the “Canby the Garden Spot” theme in attractive stone monument signs.

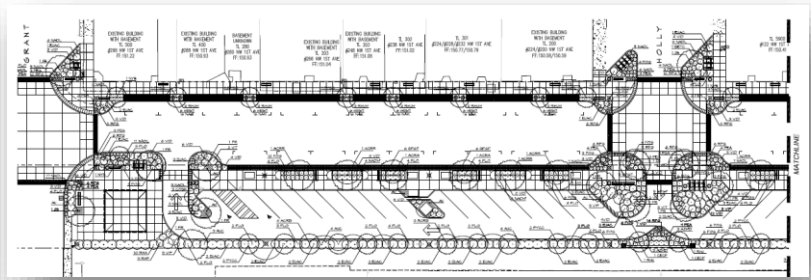




Wait Park Frontage Road Improvements were completed December 2011 for approximately \$603,000. The project provided new roadway surfaces on all the frontage streets and pervious pavement in all of the parking areas and improved sidewalks and crossings. The project included a mid-block sidewalk crossing and bump outs at each intersection to improve safety for pedestrians. The planter strips along the park frontage were expanded to add to the green space and a better surrounding for the existing trees.



Preparing for Development: The city has also modernized and updated its sign code and design standards to ensure that future development is attractive and consistent. Other efforts include the development of the Canby Downtown Plan, and feasibility studies for housing, hotel, office, and other types of development.



Public - Private Partnerships



Canby Cinema 8:

This \$5.5M project added an eight-screen cinema that opened in 2010 and provides an additional recreational amenity and attraction to downtown Canby. The theater shows first-run movies as well as custom and discount screenings to meet local preferences. The city invested in the oversized parking lot for more parking options for employees and visitors.

The Andrus Office Building

The city partnered with property owners to conduct a feasibility study for potential redevelopment of the site. This study led to the 2008 construction of a two-story 6,000 sq. ft. + professional building adjacent to Wait Park. Most of the building is now occupied.



The Canby Façade Improvement Program:

This matching grant program provides an enticing incentive and technical assistance for building owners to make their buildings more attractive. The program offers up to \$1,500 for design, \$1,500 for construction documents and a 50% match up to \$25,000 for façade improvement construction. Many businesses have used the program.

Completed Façade Improvement Projects to Date		2014 - 2015
Grant Station /Bricks and Minifigs Canby Station Canby Herald Building Countryside Living Building Ebner's Custom Meats Cutsforth Thriftway T-Line Design	American Legion Advantage Mortgage Canby Clinic Mike's Place CH Accounting Anderson Fair Place - monument sign	Trinity Counseling Canby Music Davies Clinic



Urban Renewal Agency Financial Overview

Remaining Projects from original project list

(The project list below is current to June 30, 2015- cost estimates from Plan)

NW 3rd – Grant to Elm	\$200,000
NW 4th – Grant to Elm	\$200,000
SW 1st – Elm to Grant	\$200,000
Short legs on SW 4th Avenue and Township Roads in Industrial Park	\$150,000
N. Berg Parkway from 99E to NW 3rd	\$5 Million
Sanitary Sewer Lift Station	\$200,000
Gateway Improvements (Highway 99e and Railroad Crossings)	\$625,000
Wait Park Improvements	\$150,000
Urban Renewal Matching Grant Program (Façade Improvement Program and Downtown Redevelopment Grant Program)	\$517,646
Revolving Loan Program	\$715,000
SDC Reimbursement Incentive for Investment and Job Creation	\$500,000
Fire Protection & Emergency Response Improvements (Note: the new Police Facility is Emergency Operations Center)	\$2.25 Million

Total Cost of Projects Remaining

\$10,707,646

Other Potential projects, programs and opportunities

Redevelopment Opportunities: Purchase, retrofits or new development of strategic sites

High density housing opportunities

Highway OR 99 E Corridor Beautification

Debt Capacity

The purpose of Urban Renewal is to issue debt to finance capital improvements within the District to encourage private development therefore exponentially increasing the value of property within the District.

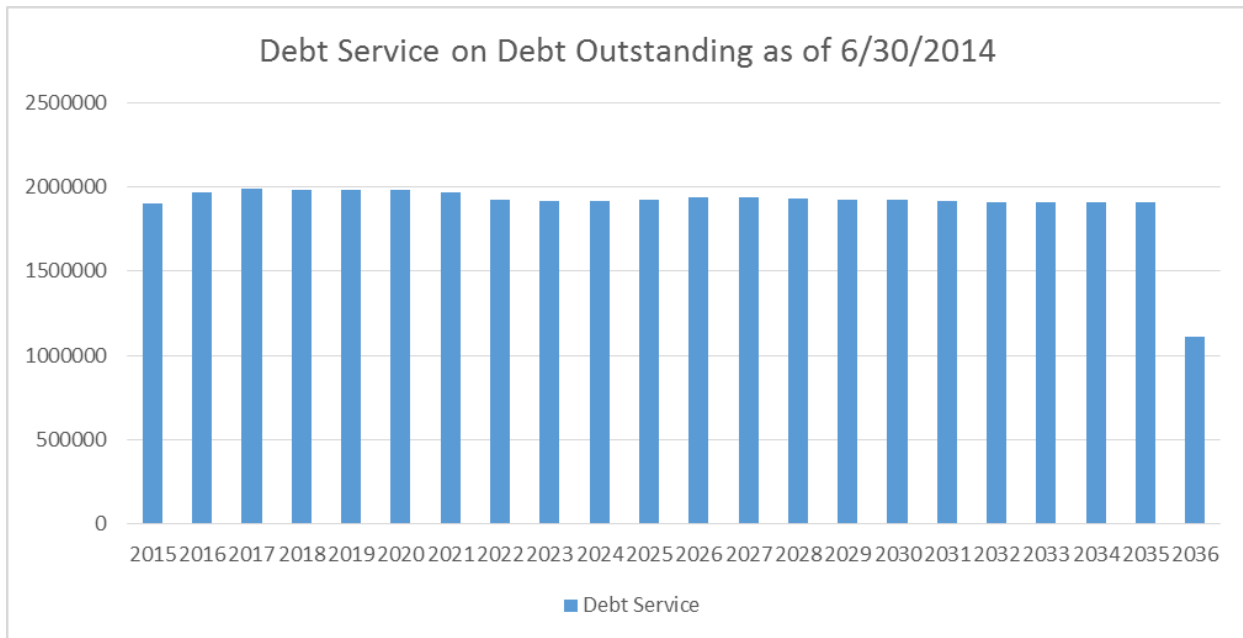
The Canby Urban Renewal Agency has a maximum indebtedness of <i>Established per the Canby Urban Renewal Plan adopted in 1999.</i>	\$ 51,149,000
Debt incurred as of June 30, 2013 *^	\$ 38,761,723
Additional Debt Capacity ^	\$ 12,387,277

* Includes \$8,322,726 of unspent bond proceeds

^ Debt incurred includes directly contracted projects and services.

Debt Outstanding

As of June 30, 2014 the Agency had debt outstanding of \$27,939,277, total debt service if debt is repaid in accordance with their required schedules is \$42,760,794 and has a final maturity of June 1, 2036, see chart below.

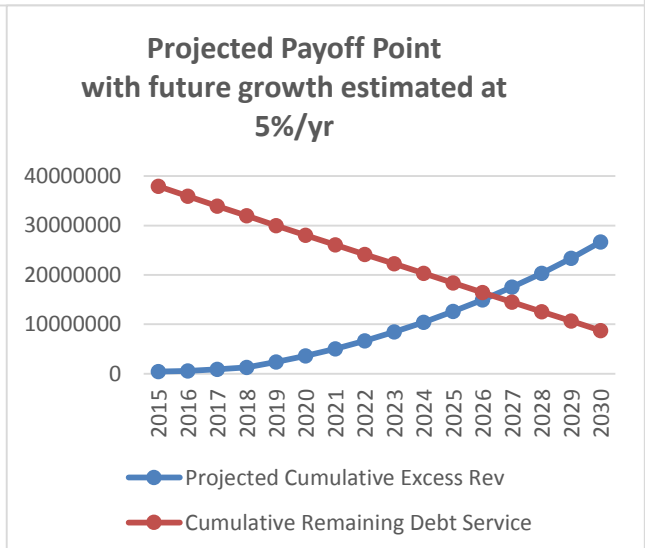
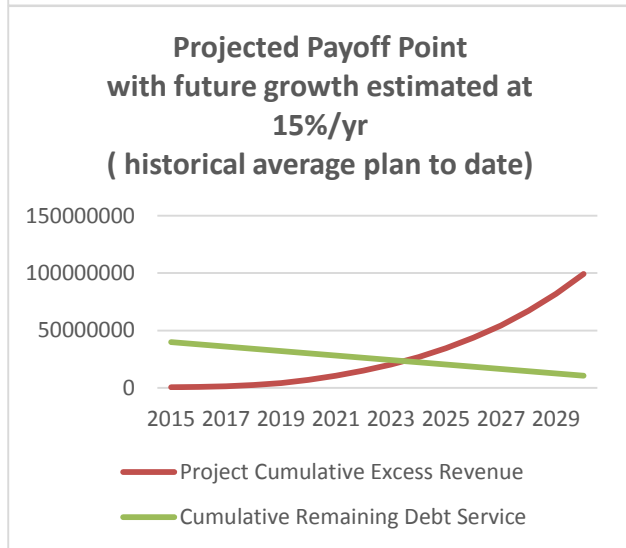
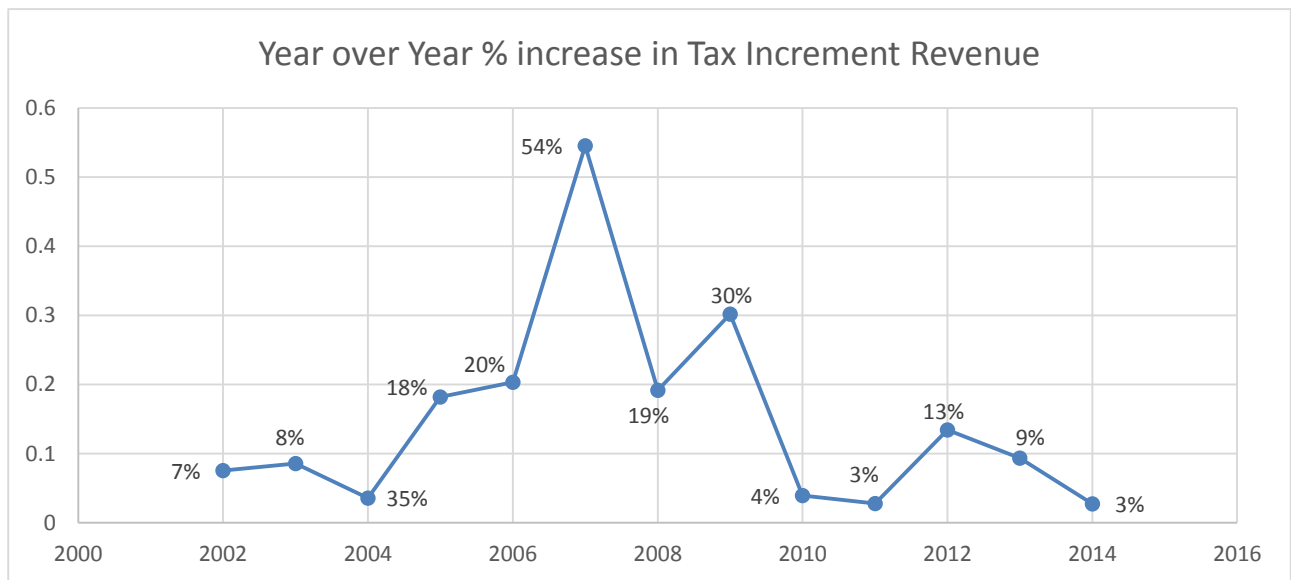


All of the outstanding debt has provisions for prepayment subsequent to a specified date the latest being June 1, 2022 for the Series 2012 debt. If the prepayment provisions were executed on the first dates allowed total debt service is estimated to be \$34,640,089.

When will the Urban Renewal District End?

In accordance with ORS 457.075 the district cannot be terminated until all **indebtedness** to which a portion of tax increment is pledged for payment is **fully repaid**. As noted on the previous page if no additional debt is issued and debt is paid in accordance with current maturity schedules, debt would be fully repaid **June 1, 2036**. Because of limitations on early debt repayment the earliest the debt could be paid off is **June 1, 2022**, however it is unlikely that the District will have collected enough tax increment to be in a position to fully repay the debt at this time. Collection of tax increment is dependent on the growth in assessed value of property within the district.

Year Over Year Percent Increase in Tax Increment Revenue



Based on the projections above, which both assume no additional debt besides \$500,000 of directly contracted services through fiscal year 2019, it is likely the district will have collected enough tax increment to fully repay debt between 2023 and 2027.

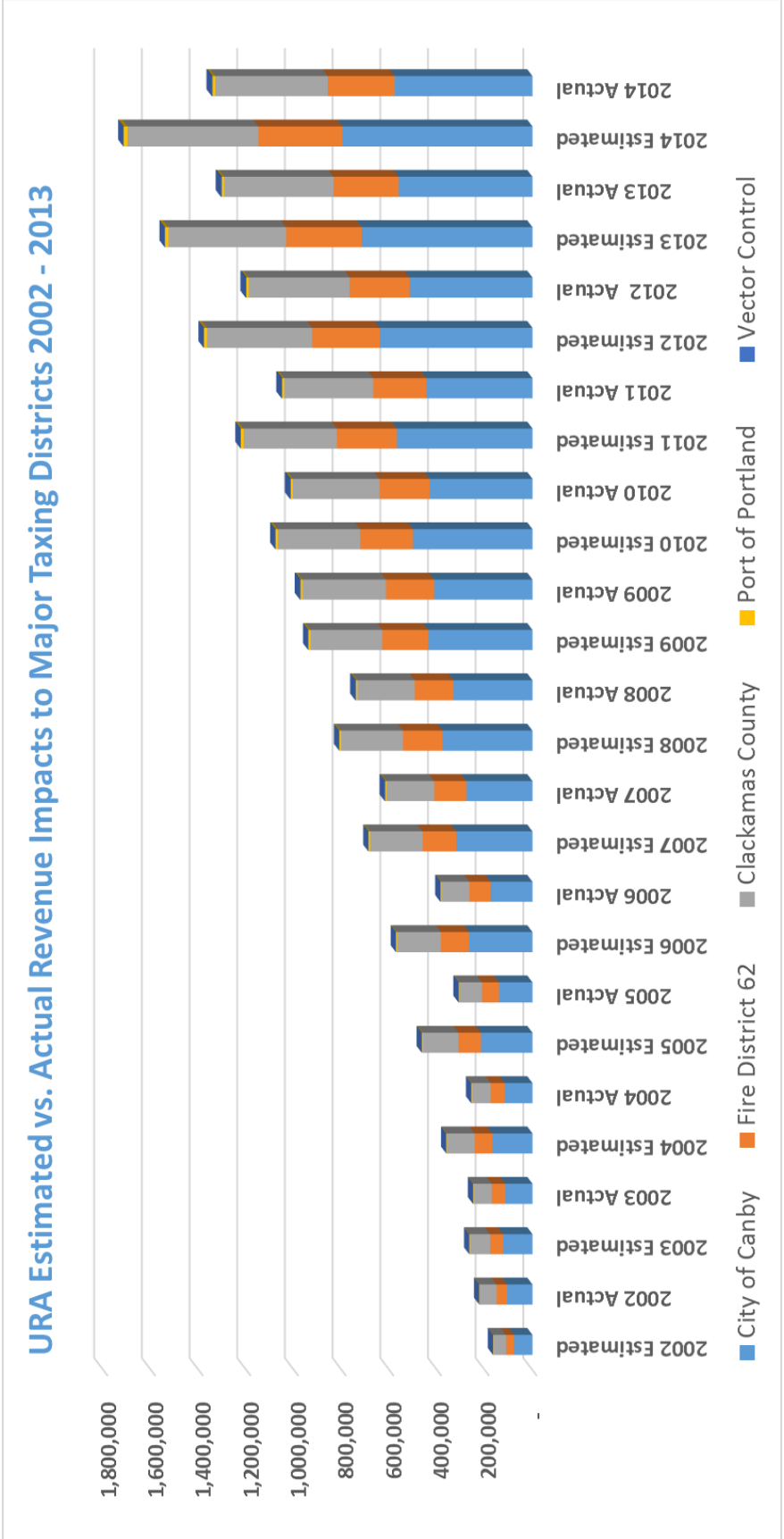
Actual Revenue Impacts on Taxing Entities

Table 1 below outlines the tax increment revenue forgone on assessed value over the frozen base of each taxing entity over the life of the Canby Urban Renewal District. As outlined in the Increase in Investment and Assessed Value discussion, without new development the estimated assessed value as of 2014 would have only been \$99,243,925 which means that the revenue to the taxing entities would have been significantly lower than the tax increment below.

Table 1

Year	Incremental Assessed Value	Clackamas County	City & Swim local option levy	Clackamas Education Service District (ESD)	Fire District 62	Clackamas Community College	Port of Portland	School District 86	Vector Control	Total URA Tax Levied
2002	25,630,009	70,814	105,623	10,689	44,760	22,046	2,004	229,293	148	485,378
2003	27,605,609	76,503	113,075	11,497	57,407	23,634	2,156	242,404	160	526,836
2004	30,095,360	79,362	115,737	11,917	59,667	26,015	2,266	250,416	168	545,547
2005	36,455,667	94,848	140,027	14,353	71,413	30,643	2,730	289,525	1,145	644,684
2006	45,754,420	117,548	175,414	17,775	88,687	35,737	3,368	335,665	1,403	775,597
2007	70,663,442	200,483	276,955	27,133	135,158	55,486	5,081	496,023	2,236	1,198,557
2008	84,594,830	240,675	331,390	32,511	162,119	66,986	6,110	585,641	2,727	1,428,160
2009	105,350,665	349,833	412,168	40,648	202,277	80,948	7,687	762,421	3,375	1,859,357
2010	110,160,549	363,316	431,134	42,317	210,842	82,363	8,009	790,870	3,584	1,932,435
2011	113,623,888	373,727	444,776	43,528	222,612	82,287	8,192	807,341	3,665	1,986,128
2012	129,695,901	423,711	514,777	49,386	251,564	96,015	9,401	903,747	3,921	2,252,522
2013	140,836,393	458,472	560,747	53,364	273,239	102,553	10,047	1,000,347	4,429	2,463,198
2014	145,094,306	471,968	577,564	54,951	281,265	105,604	10,345	1,024,605	4,563	2,530,865
Total		2,390,822	4,199,388	410,070	2,061,010	810,318	77,395	7,718,299	31,523	18,629,265

Note: Information as broken out in same format as above not available prior to 2002. The district levied tax increment totaling \$451,315 in 2001.



Estimated Tax Increment Revenue Foregone by Taxing District in 1999

Table 2 below outlines the potential tax increment revenue foregone of each taxing body as estimated based on assessed value growth projections in the Urban Renewal District at the time the Urban Renewal Plan was adopted in November 1999.

Table 2

Year	Estimated Incremental Assessed Value	Clackamas County	City of Canby	Port of Portland	Fire District 62	Vector Control
1999	-	-	-	-	-	-
2000	15,995,148	38,441	55,801	1,120	24,716	104
2001	18,961,123	45,569	66,148	1,327	29,299	123
2002	22,016,076	52,911	76,805	1,541	34,019	143
2003	35,313,397	84,869	123,194	2,472	54,566	230
2004	48,141,429	115,698	167,946	3,370	74,388	313
2005	61,772,015	148,457	215,498	4,324	95,450	402
2006	76,248,029	183,247	265,999	5,337	117,818	496
2007	91,614,476	220,177	319,606	6,413	141,563	595
2008	107,918,596	259,361	376,485	7,554	166,756	701
2009	125,209,970	300,917	436,808	8,765	193,474	814
2010	143,540,632	344,971	500,756	10,048	221,799	933
2011	162,965,185	391,654	568,520	11,408	251,814	1,059
2012	183,540,924	441,104	640,301	12,848	283,607	1,193
2013	205,327,965	493,465	716,307	14,373	317,273	1,335
2014	228,389,379	548,888	796,759	15,987	352,907	1,485
2015	252,791,330	607,533	881,888	17,695	390,613	1,643
2016	278,603,226	669,567	971,935	19,502	430,498	1,811
2017	305,897,871	735,164	1,067,155	21,413	472,673	1,988
2018	334,751,625	804,509	1,167,815	23,433	517,258	2,176
2019	365,244,573	877,792	1,274,192	25,567	564,376	2,374
Total		7,364,294	10,689,918	214,497	4,734,867	19,918

Canby Urban Renewal Financial History Since Inception Thirteen Years from July 1, 2000 – June 30, 2014

RECEIPTS	14 Year Total	Percent
Cash Carryover	\$ -	0.0%
Tax Increment-Current & Prior	16,170,897	30.52%
Debt Proceeds	34,401,112	64.94%
LID Principal & Interest Payments	1,120,684	2.12%
Bond Interest Rebate (ARRA)	218,668	0.41%
Grants and Gifts	602,988	1.14%
Interest Revenue	341,302	0.64%
Misc. Income	121,429	0.23%
Total	\$ 52,977,080	100.0%

DISBURSEMENTS	14 Year Total	Percent
Capital Projects		
1st Ave Redevelopment	\$ 2,430,194	5.60%
Railroad Property Acquisition	600,448	1.38%
Police Station	9,417,402	21.71%
Office Building Renovation	99,796	0.23%
Library/City Hall Renovation	568,920	1.31%
Sequoia Parkway Projects	7,815,534	18.02%
Hazel Dell Way	1,136,478	2.62%
Berg Parkway	368,352	0.85%
NW 2nd Street & Public Parking Lot	2,474,857	5.71%
Walnut Street Improvements	880,817	2.03%
Township Road	163,195	0.38%
Police Property Acquisition	800,000	1.84%
URD Projects	936,153	2.16%
Canby Fire Station Garage	380,000	0.88%
Gateway Projects	277,229	0.64%
Façade Improvement Program	232,354	0.54%
Revolving Loan Program	35,000	0.08%
Other Projects	337,990	0.85%
Debt Service	10,303,768	23.75%
Materials & Services	4,084,609	9.42%
Total	\$ 43,375,926	100.0%

Carry over \$ 9,601,154

Canby Urban Renewal Area 2013-14 Actual and 2014-15 Budget

RECEIPTS	Actual July 1, 2013 - June 30, 2014	Budgeted July 1, 2014 - June 30, 2015
Cash Carryover	\$ 12,395,815	\$ 9,601,064
Tax Increment-Current & Prior	2,402,610	2,461,000
Debt Proceeds	-	-
LID Principal & Interest Payments	71,881	71,961
Bond Interest Rebate (ARRA)	58,691	57,125
Grants and Gifts	-	3,000
Interest Revenue	54,625	35,000
Misc. Income	8,276	10,280
Transfers In	-	-
Total	\$ 14,991,898	\$ 12,239,430
 DISBURSEMENTS		
Capital Projects		
1st Ave Redevelopment	\$ 1,770	\$ -
Library / City Hall Renovation	127,562	8,206,934
Sequoia and 13th Connection	2,765,265	25,000
URD Projects	5,125	120,000
Façade Improvement Program	37,507	150,000
Revolving Loan Program	35,000	250,000
Other projects	32,830	170,227
Total Capital Outlay	3,005,059	8,922,161
Debt Service	1,859,314	2,496,859
Materials & Services	526,371	556,310
Total	\$ 5,390,744	\$ 11,975,330
 Carryover	 \$ 9,601,154	 \$ 264,100

Increase in Investment and Assessed Value

The assessed valuation of the property in the Urban Renewal District (URD) when it was formed was \$65,611,926. This is called the frozen base. The City of Canby and all the other taxing entities--such as the school district and the fire district—continue to receive tax revenues based on the frozen value for the life of the URD.

The total assessed value of the URD on July 1, 2014 was \$210,706,232. The difference between the frozen value and the current assessed value is \$145,094,306. The taxes on this increase in assessed valuation by all the taxing entities, including the City of Canby, are called the “tax increment” and are the revenue source for the URD.

How much would the assessed valuation of the land in the URD have increased without urban renewal? There is no way to answer this question accurately. If the frozen assessed valuation of the land had increased by 3% each year, the assessed valuation at July 1, 2014 would have been \$99,243,925.

So it is reasonable to assume that any assessed valuation increase beyond \$99,243,925 would be due to development in the URD. What is not possible to pin down is what part of the \$111,462,307 additional assessed valuation increase is due to the URD-funded public improvements. Year over year the increase due to development increased approximately \$8 million.

Stated another way (rounded to the millions):

7/1/2014 assessed valuation of the URD	\$ 211,000,000
Frozen value	<u>\$ 66,000,000</u>
Increase in assessed valuation	\$ 145,000,000
Less: Increase due annual 3%	<u>(\$ 34,000,000)</u>
Increase Due to Development	\$ 111,000,000

For More Information Please Contact:

Rick Robinson, Urban Renewal Director: 503-266-4021 or robinsonr@ci.canby.or.us
182 N. Holly Street, Canby, Oregon 97013